

Congresswoman Loretta Sanchez (CA-47) member of the bipartisan, bicameral Joint Economic Committee, released the following statement on Bank of America's decision today to halt all foreclosure proceedings in light of an investigation into how it has handled foreclosure proceedings:

"I commend Bank of America for finally deciding to halt the practice of kicking people out of their homes first, and asking questions later," Rep. Sanchez said. "I have heard from many of my constituents telling me that they had requested loan modifications or a forbearance of foreclosure and the lenders were not responsive or gave mixed signals about the steps they would take – leaving many homeowners uncertain about what would happen next."

"Just this week, I signed on to a letter with Rep. Zoe Lofgren and many other members of the California Delegation address to Attorney General Eric Holder and Federal Reserve Chairman Ben S. Bernanke pressing and urging federal regulators to assess delays and possible irregularities in loan modifications and foreclosure processes.

"Bank of America's moratorium will address alleged irregularities of mishandling of records in the foreclosure process, by lenders. I hope that other lenders will also take similar steps and be more proactive about working with homeowners to keep them in their homes. Foreclosures are not only bad for the homeowner, but takes a huge toll on our communities and the economy."